## Exhibit 12

State of California ex. rel. Ven-A-Care of the Florida Keys, Inc. v. Abbott Laboratories, Inc., et al.

Exhibit to the Declaration of Nicholas N. Paul in Support of Plaintiffs' Motion for Summary Judgment as to Defendant Mylan

June 10, 2009

Canonsburg, PA

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    IN THE UNITED STATES DISTRICT COURT FOR THE
           DISTRICT OF MASSACHUSETTS
                    _ _ _ _
IN RE:
PHARMACEUTICAL INDUSTRY )
AVERAGE WHOLESALE PRICE
LITIGATION
STATE OF CALIFORNIA,
ex rel. Ven-A-Care, ) MDL No. 1456
              Plaintiff, ) Master File No.
                          ) 01-12257-PBS
                          ) Subcategory Case
                          ) No. 06-11337
ABBOTT LABORATORIES, INC.,
et al.,
             Defendants. )
    VIDEOTAPE 30(B)(6) DEPOSITION OF: BRIAN ROMAN
               DATE: June 10, 2009
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     a specific communication by Mylan to California,
     other than through the transmission of AMP data,
     that Mylan said that that way to California.
               And what is it about the transmission
     of AMP data that would tell California that the
     AWP was substantially higher?
 7
               Well, the --
          Α.
               MR. ESCOBAR: Objection to the form.
 9
               THE WITNESS: When California sees a
10
     rebate amount or AMP information they would see
11
     that that is not the same as AWP, in all
12
     likelihood it's lower than AWP and that would
13
     lead one to conclude that the AWP is higher.
14
     BY MR. MILLER:
15
               Sort of a reverse engineer kind of
16
     maneuver?
17
               MR. ESCOBAR: Objection to the form.
18
               THE WITNESS: I don't know what you
19
     mean by that.
20
               MR. MILLER: All right.
21
     BY MR. MILLER:
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I know you've testified about this

Q.

22

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     previously as relation to Texas and Wisconsin, I
     believe, but I want to make sure I get it for
     California. And that is, do you know of Mylan's
     knowledge and understanding of the laws,
 5
     practices and policies of California's State
     Medicaid agency, Medi-Cal, regarding the
     reimbursement for Mylan's drug products,
     including Mylan's knowledge and understanding
     concerning Mylan's use of published AWPs, Mylan's
10
     understanding of its obligation, if any, to
11
     understand such laws, practices and policies?
12
     Let me break that down a little bit.
13
               Can you just tell me what topic, so I
     can follow along?
15
               3.
          0.
16
               MR. ESCOBAR: 3?
17
               MR. MILLER:
18
               MR. ESCOBAR: Okay.
19
     BY MR. MILLER:
20
               Here's the first question.
          0.
                                            I'm not
21
     sure I understood your earlier testimony, but I
22
     think you said you weren't sure how California
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1
     reimbursed, so that you don't know whether
 2
     Medi-Cal uses published AWPs?
               No, I don't think I said that.
                                                Τ
     think what I said is I actually have seen a
 5
     document that was put out by California that
     showed some of the changes in their reimbursement
     approach over time and it did show how California
     has decided to, you know, change that
     reimbursement formula from time to time. So I
10
     have seen that and I -- I've been testifying
11
     about it, actually.
12
               So do you -- are you aware that
13
     California uses AWP as a basis for reimbursement?
14
               MR. ESCOBAR: Objection to the form.
15
               THE WITNESS: I don't agree with the
16
     way you put that. I believe what California says
17
     they do is they have two components to the
18
     reimbursement amount. One of those components is
```

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with that and they'll pick the lowest of them.

acquisition cost and then they will look at a

number of different information points to come up

something that California calls estimated

19

20

21

22

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               MR. ESCOBAR: Objection to the form.
 2
               THE WITNESS: Okay, you've broadened
 3
     that question in a somewhat confusing way.
     BY MR. MILLER:
               Okay. What did Mylan -- what does
          0.
     Mylan understand its reporting obligations,
     whether it's directly to the State of California
     or just to a reporting agency that California
     then relies upon?<sub>141:19-22</sub>.
10
               Well, Mylan, under the Medicaid
11
     program, and, actually under the agreement that
12
     we've signed with the government, including the
13
     states and California, has a section in it that
14
     says what Mylan's responsibilities are.
15
     those responsibilities, in relation to price
16
     reporting, are to calculate and report the
17
     average manufacturer price every three months,
18
     and we do that.
19
               It's only that, the average
20
     manufacturer's price? What about -- you do
21
     report AWPs, correct?
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I don't believe we report AWPs to

22

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<sup>1</sup> California.

8

- Q. No, to a reporting agency, like First
- Data Bank or Medi-Span.
- A. Oh, we do communicate AWP numbers to
- <sup>5</sup> reporting services like First Data Bank, sure.
- Q. And do you know what the purposes of
- <sup>7</sup> those reporting services are?
  - A. The purposes of the reporting service?
- <sup>9</sup> Q. Yeah, what do they do with the AWP?
- MR. ESCOBAR: Objection to the form and
- beyond the scope.
- THE WITNESS: I understand that they
- publish lists of drugs and they show, in some
- cases, WAC; some cases they show AWPs; some of
- the publications call it something else, but they
- make those available to their subscribers.
- BY MR. MILLER:
- Q. Are you aware that certain states use
- AWP as reported by Mylan to these reporting
- services as a basis for reimbursement?
- MR. ESCOBAR: Objection to the form.
- THE WITNESS: I think they could use

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- it. I think, though, you'd have to look at
- particular reimbursement that was done and how
- 3 AWP does or doesn't fit into that reimbursement
- for that drug.
- 5 For example, again, in the California
- system it says that they'll look to a number of
- different points, including what the pharmacies
- 8 themselves is charging to the general public and
- they'll pick the lowest of those points and use
- that as the basis for part of the reimbursement
- to pharmacies.
- BY MR. MILLER:
- Q. Are you aware of any reimbursement
- that is done based on AWP, for Mylan's products?
- A. Mylan doesn't have much visibility
- into the reimbursements that its customers are
- receiving. If you're talking about Medicaid
- programs, and in California in particular, those
- programs do make it known how they will reimburse
- a pharmacy for drugs that are dispensed to
- Medicaid beneficiaries, and I've talked about
- California's and I'm not of the view -- Mylan's